

PBOOK 89 Pg 612

Prepared by and after
recording return to:
David T. Wolf, Esquire
David T. Wolf, P.C.
Suite 800
900 Circle 75 Parkway
Atlanta, Georgia 30339

STATE MISSISSIPPI CO.
FILED

APR 27 3 16 PM '01

BK 89 612
W. T. R.

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "Agreement"), made this 27th day of April, 2001, by and among BANK OF AMERICA, N.A., a national banking association ("Agent") acting in its capacity as Agent for the Secured Creditors under the Credit Agreement (as such term is hereinafter defined) and each assignee thereof becoming a lender as provided therein ("Lender") (the terms Agent and Lender, sometimes hereinafter collectively referred to as the "Lenders"), WENDELTA, INC., a Mississippi corporation and/or WENSTAR, INC., a Mississippi corporation (collectively the "Lessee"), and WENSTAR PROPERTIES, L.P., a Mississippi limited partnership and/or WENDELTA PARTNERS, L.P., a Mississippi limited partnership (collectively the "Lessor");

W I T N E S S E T H : That:

WHEREAS, Lessor is the owner of certain real and personal property located within the State of Mississippi, as more particularly described in Exhibit "A", attached hereto and by this reference made a part hereof (hereinafter collectively referred to as the "Premises"); and Lessor and Lessee have entered into certain leases (hereinafter collectively referred to as the "Lease"), as more particularly described in Exhibit B attached hereto; and

WHEREAS, the Lenders have committed to make certain loans in the aggregate principal amount of up to \$53,000,000.00 (together with any and all advances made thereunder, collectively the "Loan") to Lessor and Lessee pursuant to the terms of that certain Credit Agreement of even date herewith made by and among Lessor, Lessee and Lenders as amended from time to time (the "Credit Agreement"), which Loan is secured, in part, by those certain Deeds of Trust, Security Agreement, Fixture Filing, Assignment of Leases and Rents and Financing Statement (collectively the "Deed"), and other instruments, agreements, assignments and documents given or to be given by Lessor and Lessee to the Agent for the benefit of the Lenders encumbering the Premises (any and all such Deeds, agreements, assignments and other documents given to secure the Loan, as the same may be hereafter amended, renewed, modified, consolidated, replaced, substituted and extended, from time to time, are hereinafter collectively referred to as the "Loan Documents"); and

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WHEREAS, as a condition to making the Loan, the Agent on behalf of the Lenders has required and Lessor and Lessee have agreed that the Lease will be subject and subordinate to the Loan and the Loan Documents held by the Lenders;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the sum of TEN and NO/100THS DOLLARS (\$10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding anything in the Lease to the contrary, the parties hereby agree as follows:

1. Lessee has subordinated and does hereby subordinate the Lease, together with any and all rights, title, interests, estates, options, liens and charges created thereby, including, without limitation, rights of first refusal or purchase options, if any, contained therein, to (a) the Loan, (b) the Loan Documents, (c) any and all advances made thereunder, and (d) any and all renewals, modifications, consolidations, replacements, extensions, transfers and assignments thereof. The Loan Documents will be superior to the right, title, interest and estate of Lessee in and to the Premises by virtue of the Lease. In furtherance thereof, Lessor and Lessee do hereby covenant and agree that the Lease with all rights of first refusal, purchase options, liens and charges created thereby, is and will continue to be subject and subordinate in all respects to the Deed and to any renewals, modifications, consolidations, replacements and extensions thereof and to all advancements made thereunder.

2. So long as the Loan and the Loan Documents remain outstanding and unsatisfied, Lessee will mail or deliver to Agent on behalf of the Lenders, at the address and in the manner hereinbelow provided, a copy of all notices permitted or required to be given to Lessor by Lessee under and pursuant to the terms and provisions of the Lease. At any time before the rights of Lessor will have been forfeited or adversely affected because of any default of Lessor, or within the time permitted Lessor for curing any default under the Lease as therein provided (but not less than sixty (60) days from the receipt of notice), Lender may, but will have no obligation to, pay any taxes and assessments, make any repairs and improvements, make any deposits or do any other act or thing required of Lessor by the terms of the Lease; and all payments so made and all things so done and performed by Lender will be as effective to prevent the rights of Lessor from being forfeited or adversely affected because of any default under the Lease as the same would have been if done and performed by Lessor.

3. Lessee hereby expressly consents to the assignment of the Lease as contained in the Deed as additional security for the Loan.

4. Lessor and Lessee hereby certify to Agent that the Lease has been duly executed by Lessor and Lessee and is in full force and effect; that the Lease and any modifications and amendments specified herein are a complete statement of the agreement between Lessor and Lessee with respect to the leasing of the Premises, and the Lease has not been modified or amended except as specified herein; that to the knowledge of Lessor and Lessee, no party to the Lease is in default thereunder; that no rent under the Lease has been paid more than thirty (30) days in advance of its due date;

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and that Lessee, as of this date, has no charge, lien or claim of offset under the Lease, or otherwise, against the rents or other charges due or to become due thereunder. So long as the Loan and the Loan Documents remain outstanding and unsatisfied, Lessor and Lessee will not alter or amend any of the terms of the Lease without the prior written consent of Agent in each instance. In the event that Lessor and Lessee make such an alteration or amendment without the prior written consent of Agent, the Lenders will not be bound by such alteration or amendment.

5. Unless and except as otherwise specifically provided herein, any and all notices, elections, approvals, consents, demands, requests, and responses thereto ("Communications") permitted or required to be given under this Agreement shall be given in the manner and to the addresses as set forth in the Credit Agreement.

6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, successors-in-title and assigns, including, in the case of the Lenders, any transferee or purchaser for Lenders. When used herein, the term "Lessor" refers to Lessor and to any successor to the interest of Lessor under the Lease.

7. In the event any term or condition of this Agreement conflict or are inconsistent with any terms and conditions of the Lease, this Agreement shall control. In the event any term or condition of this Agreement conflict or are inconsistent with any terms and conditions of any of the Loan Documents, the Loan Documents shall control.

8. This Agreement may be executed in multiple counterparts, and the signatures of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart, all of which shall constitute one Agreement and shall be deemed an original.

[SIGNATURES TO FOLLOW ON PAGE 4]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date first above written.

AGENT:

BANK OF AMERICA, N.A.

By: [Signature]
Title: Assistant Vice President

[AFFIX BANK SEAL]

STATE OF GEORGIA

COUNTY OF COBB

PERSONALLY appeared before me the undersigned authority in and for said County and State, on this 24th day of April, 2001, within my jurisdiction, the within named John Huss, who acknowledges that he is an Assistant Vice President of BANK OF AMERICA, N.A., and for and on behalf of said bank, and as its act and deed, he executed the above and foregoing instrument, after first having duly authorized so to do.

[Signature]
Notary Public

My Commission Expires:

Notary Public, Eastern County, Georgia
My Commission Expires December 27, 2002

[AFFIX NOTARIAL SEAL]

[SIGNATURES CONTINUED ON PAGE 5]

LESSEE: PBOOK 89 Pg 616

WENDELTA, INC. a Mississippi
corporation

By: 

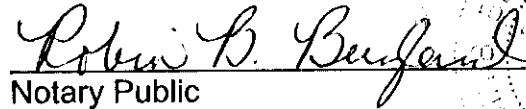
Title: Chief Executive Officer

[AFFIX CORPORATE SEAL]

STATE OF GEORGIA

COUNTY OF COBB

PERSONALLY appeared before me the undersigned authority in and for said County and State, on this 24th day of April, 2001, within my jurisdiction, the within named Gene D. Carlisle, who acknowledges that he is the Chief Executive Officer of WENDELTA, INC., a Mississippi corporation, and for and on behalf of said corporation, and as its act and deed, he executed the above and foregoing instrument, after first having duly authorized so to do.


Notary Public

My Commission Expires:

Notary Public, Bartow County, Georgia
My Commission Expires December 21, 2002

[AFFIX NOTARIAL SEAL]

[SIGNATURES CONTINUED ON PAGE 6]

PB00K89 Pg 617
WENSTAR, INC. a Mississippi
corporation

By: [Signature]
Title: Chief Executive Officer

[AFFIX CORPORATE SEAL]

STATE OF GEORGIA

COUNTY OF COBB

PERSONALLY appeared before me the undersigned authority in and for said County and State, on this 24th day of April, 2001, within my jurisdiction, the within named Gene D. Carlisle, who acknowledges that he is the Chief Executive Officer of WENSTAR, INC., a Mississippi corporation, and for and on behalf of said corporation, and as its act and deed, he executed the above and foregoing instrument, after first having duly authorized so to do.

[Signature]
Notary Public

My Commission Expires: December 27, 2002
Notary Public, State of Georgia

[AFFIX NOTARIAL SEAL]

[SIGNATURES CONTINUED ON PAGE 7]

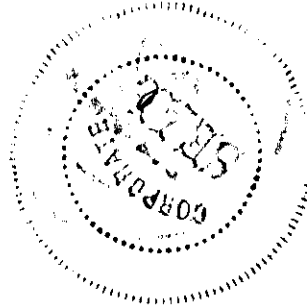
PBOOK 89 Pg 68
LESSOR:

WENSTAR PROPERTIES, L.P.
a Mississippi limited partnership

By: Carlisle Properties, Inc., a
Tennessee corporation, its
General Partner

By: 
Title: Chief Executive Officer

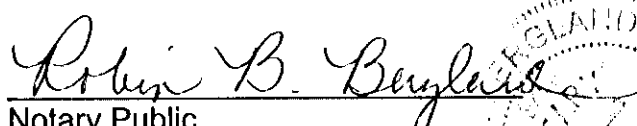
[AFFIX CORPORATE SEAL]

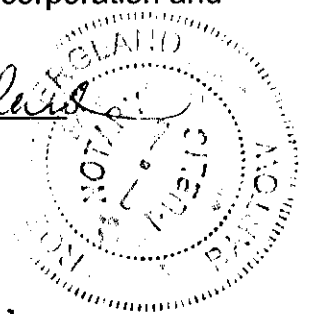


STATE OF GEORGIA

COUNTY OF COBB

PERSONALLY appeared before me the undersigned authority in and for said County and State, on this *24th* day of April, 2001, within my jurisdiction, the within named Gene D. Carlisle, who acknowledges that he is the Chief Executive Officer of Carlisle Properties, Inc., the General Partner of WENSTAR PROPERTIES, L.P. a Mississippi limited partnership, and for and on behalf of said corporation as General Partner of said limited partnership, and as the act and deed of said corporation as General Partner of said limited partnership, and for and on behalf of said limited partnership and as the act and deed of said limited partnership he executed the above and foregoing instrument, after first having been duly authorized by said corporation and limited partnership so to do.


Notary Public



My Commission Expires:

Notary Public, Gordon County, Georgia
My Commission Expires December 21, 2002

[AFFIX NOTARIAL SEAL]

[SIGNATURES CONTINUED ON PAGE 8]

PBOOK 89 Pg 619
WENDELTA PARTNERS, L.P.
a Mississippi limited partnership

By: Wendelta, Inc., a
Tennessee corporation, its
General Partner

By: 
Title: Chief Executive Officer

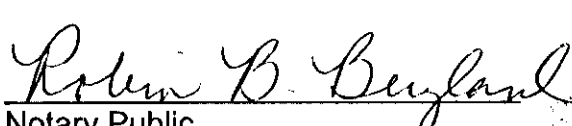
[AFFIX CORPORATE SEAL]



STATE OF GEORGIA

COUNTY OF COBB

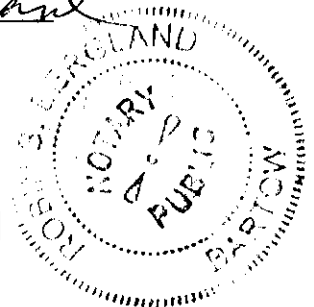
PERSONALLY appeared before me the undersigned authority in and for said County and State, on this 24th day of April, 2001, within my jurisdiction, the within named Gene D. Carlisle, who acknowledges that he is the Chief Executive Officer of Wendelta, Inc., the General Partner of WENDELTA PARTNERS, L.P. a Mississippi limited partnership, and for and on behalf of said corporation as General Partner of said limited partnership, and as the act and deed of said corporation as General Partner of said limited partnership, and for and on behalf of said limited partnership and as the act and deed of said limited partnership he executed the above and foregoing instrument, after first having been duly authorized by said corporation and limited partnership so to do.


Notary Public

My Commission Expires:

Notary Public, DeKalb County, Georgia
My Commission Expires December 24, 2002

[AFFIX NOTARIAL SEAL]



wendelta3.2001.mastersubordin

EXHIBIT "A"
Legal Descriptions

PB00K89 Pg 620

7985 Craft-Goodman Road, Olive Branch, DeSoto County, Mississippi 38654

Legal description of a 1.01, more or less, acre tract of land being known as Lot #2 of The Crossing at Olive Branch (Plat Book 68, Page 37) (located in Part of Southeast Quarter of the Southeast Quarter of Section 29, Township 1 South, Range 6 West, Olive Branch, DeSoto County, Mississippi, and is further described as follows:

Beginning at the Northeast corner of Lot #2 located on the South right of way line of Craft-Goodman Frontage Road; thence around a curve to the left having a radius of 498.00 feet, delta angle $25^{\circ}18'29''$, chord bearing South $56^{\circ}43'48''$ West, chord distance 218.19 feet, and a length of 219.97 feet to a $\frac{1}{2}$ " rebar set on said South right of way line; thence South $44^{\circ}04'33''$ West 103.74 feet to a $\frac{1}{2}$ " rebar set on said right of way line also being the Northeast corner of Lot #3 of The Crossing at Olive Branch; thence South $47^{\circ}47'51''$ East 150.44 feet along the East line of said lot to an iron pin found on the North right of way line of Goodman Road Bypass; thence North $64^{\circ}39'59''$ East 145.82 feet to an iron pin found on said right of way line; thence North $66^{\circ}27'09''$ East 11.94 feet to an iron pin found at the Southwest corner of the John Hyneman Development Co., Inc., a Mississippi corporation Tract; thence along the West line of said tract North $00^{\circ}05'06''$ East 228.14 feet to the Point of Beginning, containing 1.01, more or less, acres, (44,178, more or less, square feet) of land.

593 Commerce Street, Hernando, DeSoto County, Mississippi 38632

Lot 1 of Phase 1 of Fidelity Commercial Subdivision in Section 18, Township 3 South, Range 7 West, City of Hernando, DeSoto County, Mississippi, as per plat thereof recorded in Plat Book 70, Page 48, in the office of the Chancery Clerk of DeSoto County, Mississippi, and being more particularly described as follows, to-wit:

Commencing at the Northeast corner of the Southeast Quarter of Section 18, Township 3 South, Range 7 West, Hernando, DeSoto County, Mississippi; thence South $87^{\circ}38'45''$ West, a distance of 2,033.03 feet to a $\frac{1}{2}$ " rebar found on the South right of way of Commerce Street being the northwest corner of lot #2 of said Fidelity Subdivision; also being the True Point of Beginning for the herein described tract; thence South $2^{\circ}44'43''$ East along the West line of lot #2, a distance of 248.25 feet to a $\frac{1}{2}$ " rebar set; thence South $87^{\circ}52'26''$ West, a distance of 137.25 feet to a $\frac{1}{2}$ " rebar found; thence North $12^{\circ}00'00''$ West along the East lines of Holy Spirit Church of Hernando a distance of 247.11 feet to a $\frac{3}{8}$ " rebar found on the South line of Commerce Street; thence around a curve to the right having a radius of 10760.79 feet, delta angle $00^{\circ}56'33''$, chord bearing North $86^{\circ}19'32''$ East, chord distance 177.00 feet, and a length of 177.00 feet to the Point of Beginning, containing 0.89 more or less acres (38,715, more or less square feet) of land.

EXHIBIT "B" PBOOK 89 Pg 621

	Location	County	Lease Description
1.	7985 Craft-Goodman Road, Olive Branch, Mississippi 38654	DeSoto	Lease Agreement dated August 1, 2000 by and between Wenstar Properties, L.P., a Mississippi limited partnership as Lessor and Wendelta, Inc., a Mississippi corporation as Lessee.
2.	593 Commerce Street, Hernando, Mississippi 38632	DeSoto	Lease Agreement dated September 1, 2000 by and between Wenstar Properties, L.P., a Mississippi limited partnership as Lessor and Wendelta, Inc., a Mississippi corporation as Lessee.